

City Council Meeting Minutes

**March 3, 2015
City Hall, Council Chambers
749 Main Street
7:00 PM**

Call to Order – Mayor Muckle called the meeting to order at 7:00 p.m.

Roll Call was taken and the following members were present:

City Council: *Mayor Robert Muckle, Mayor Pro Tem Hank Dalton
City Council members: Jeff Lipton, Jay Keany,
Sue Loo, Ashley Stolzmann and Chris Leh*

Staff Present: *Malcolm Fleming, City Manager
Heather Balser, Deputy City Manager
Kevin Watson, Finance Director
Kurt Kowar, Public Works Director
Aaron DeJong, Economic Development Director
Troy Russ, Planning & Building Safety Director
Scott Robinson, Planner II
Nancy Varra, City Clerk*

Others Present: *Sam Light, City Attorney*

PLEDGE OF ALLEGIANCE

All rose for the pledge of agenda.

APPROVAL OF AGENDA

Mayor Muckle moved Consent Agenda Item 5F – Approve Non-Profit Grant Program (Amendment for Imagine Foundation) to the Regular Business Agenda 8B2. He moved Regular Business Agenda Item 8E – Ordinance No. 1681, Series 2015 to Agenda Item 8B2. He called for other changes and hearing none, moved to approve the agenda, as amended seconded by Council member Keany. All were in favor.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

There were no public comments.

APPROVAL OF THE CONSENT AGENDA

MOTION: Mayor Muckle moved to approve the consent agenda, as amended seconded by Council member Keany. All were in favor.

- A. *Approval of Bills***
- B. *Approval of Minutes – February 10, 2015; February 17, 2015***
- C. *Approve March 10, 2015 at 7:00 PM as a Special Meeting***
- D. *Approve Resolution No. 20, Series 2015 – A Resolution Approving an Intergovernmental Agreement with Boulder Valley School District Concerning a Local Parks and Outdoor Recreation Grant from the State Board of Great Outdoors Colorado Trust Fund***
- E. *Approve Resolution No. 11, Series 2015 – A Resolution Approving a Lease Agreement By and Between the City of Louisville and Wells Fargo Financial Leasing, Inc.***
- F. *Approve 2015 Annual Fuel Purchase Agreement***
- G. *Approve PSCO – City of Louisville Shared Use Agreement – Gas Pipeline Replacement Project***

COUNCIL INFORMATIONAL COMMENTS ON PERTINENT ITEMS NOT ON THE AGENDA

Council member Loo announced on Thursday, March 5, the Friends of the Arboretum and the Horticulture and Forestry Advisory Board will provide a free presentation entitled “It all starts with a seed.” It will be held at the Louisville Recreation Center at 7:00 p.m. Free seed packets will be given to participants.

Council member Stolzmann reported yesterday and today the Burlington Northern and Santa Fe Railroad was on the Coal Creek Trail working on their bridge.

Council member Keany reported on a new Chamber of Commerce function, the Biz Crawl, which is held the first Tuesday of each month. Participants visit three to four businesses to meet the owners and learn about their operations. This evening’s event was at Village Square Shopping Center. Information on the Biz Crawl is on the Chamber of Commerce website.

CITY MANAGER’S REPORT

City Manager Fleming reported on the following:

- The City received two grants, thanks to the Open Space Staff and City Forester. \$8,000 for noxious weed eradication in open space and \$6,000 to help fund additional tree planting activities. He thanked Ember Brignull, Catherine Jepson and Chris Lichty.
- There are a number of projects going on in the City: the South Boulder Road Small Area Plan; the McCaslin Boulevard Small Area Plan, the Historic

Preservation Master Plan and the Arts Master Plan; the Golf Course Operational and Marketing Plan and the ERP Project.

- Bids are going out for the Main Street resurfacing in April, before the summer patios are put in place. There will be brick work and utility work in the fall. Stormwater work will begin east of Highway 42, up to Spruce Street and under RR tracks, to Front Street, north and south. Information on all those projects and their progress will be available on the City's Web Page.
- A representative from the Burlington Northern and Santa Fe Railroad reported this Thursday the City will have the construction and management agreement for the South Street Underpass and Gateway Project. This will outline the cost for the project. However, based on the timelines, City Manager Fleming did not anticipate the project will go forward in 2015.

REGULAR BUSINESS

NUTRITION MONTH PROCLAMATION

Senior Services Supervisor Katie Beasley, Community Resource Coordinator Diane Evans and Meal Site Coordinator/Recreation Program Assistant Tricia Morgan were present to receive the proclamation.

Mayor Muckle read the proclamation, proclaiming March as Nutrition Month in the City of Louisville. He presented the proclamation to Senior Services staff members.

Senior Services Supervisor Katie Beasley thanked the City Council for their support. She stated lunch is served every day at noon at the Brooks Café at the Louisville Senior Center. She noted they are seeing an increase in the number of meals served.

RESOLUTION No. 12, SERIES 2015 – A RESOLUTION APPROVING A BUSINESS ASSISTANCE AGREEMENT WITH ROGUE WAVE SOFTWARE, INC, FOR AN ECONOMIC DEVELOPMENT PROJECT IN THE CITY OF LOUISVILLE

Mayor Muckle requested a staff presentation.

Economic Development Director DeJong explained the Business Assistance Package is for Rogue Wave, a software company providing code writing tools to assist in programming embedded components, such as financial services, telecommunications, healthcare, government, and education industries. Their headquarters is currently in Boulder, but they have conducted an area wide search for a new location. Rogue Wave Software is looking to relocate their operations and set up for future expansion at 1315 W. Century Drive. This location has 20,000 SF of vacant space and is co-tenanted by GHX. The space is to be adapted for their use. Rogue Wave Software is also considering other locations in Broomfield and Boulder.

Rogue Wave Software will bring 80 new jobs to Louisville and possibly expand to 110 employees in 5 years. The wages are above the Boulder County Average. Staff anticipates \$900,000 in tenant improvements (\$28,000 paid in City Permits Fees and Construction Use Tax). \$2,500 of the amount is for Open Space and Historic Preservation purposes.

The proposed assistance consists of the following: 50% rebate of City Building Permits Fees = \$6,200 value; 50% rebate of Construction Use Taxes = \$6,700 value. The Incentives are capped at 50% of fees paid.

Staff recommendation: Staff recommended the City Council approve Resolution 12, Series 2015.

APPLICANT PRESENTATION

David Goossen, General Counsel for Rogue Wave Software, explained the company has been in Boulder since 1995. The main reasons for relocating to Louisville are to assist with recruiting and retention efforts. They found the Louisville location a very attractive alternative.

Mayor Muckle voiced his support for the Business Assistance Package. He proposed rebating the entire construction use tax (\$6,700). He noted the City is interested in attracting businesses in Centennial Valley.

Council member Loo supported the full rebate of the construction tax. She encouraged Rogue Wave Software's new home to be Louisville and noted the employees will love the site.

Council member Leh noted Mr. Goossen lives in Louisville and knows the value of this property and would do his best to convince Rogue Wave Software to relocate to Louisville.

MOTION: Council member Loo moved to approve Resolution No.12, Series 2015, seconded by Mayor Pro Tem Dalton.

Mayor Muckle offered a friendly amendment to increase the construction tax rebate from 50% to 100%. Council member Loo and Mayor Pro Tem Dalton accepted the friendly amendment.

VOTE: Roll call vote was taken. The motion carried by a vote of 7-0.

NON-PROFIT GRANT PROGRAM – FINANCE COMMITTEE RECOMMENDATIONS FOR 2015 (AMENDMENT FOR IMAGINE FOUNDATION)

Council member Leh disclosed he is a Board Member of the Imagine Foundation. He recused himself from the meeting and the vote and left the Council Chambers. Council member Keany explained this item was inadvertently left out of the Finance Committee decision making process for non-profit grants. The Finance Committee felt the Imagine Foundation should be funded even though it is over and above what was approved for non-profit grants this year.

MOTION: Council member Keany moved to approve the non-profit amendment for Imagine Foundation, seconded by Council member Loo. Roll call vote was taken. The motion carried by a vote of 6-0. Council member Leh recused himself from voting.

**ORDINANCE No. 1681, SERIES 2015 – AN ORDINANCE APPROVING THE
VACATION OF A 20-FOOT WIDE UNIMPROVED ALLEY BETWEEN 225 COUNTY
ROAD (LOTS 12 AND 13) AND 224 FRONT STREET (LOTS 10 AND 11), BLOCK 9,
MURPHY PLACE – 2nd Reading –Public Hearing**

Mayor Muckle requested a City Attorney introduction.

City Attorney Light introduced Ordinance No. 1681, Series 2015.

Mayor Muckle opened the public hearing and requested a staff presentation.

Planning and Building Safety Director Russ explained Ordinance No.1682, Series 2015, if authorized, approves the vacation of a 20-foot wide unimproved alley between 225 County Road and 224 Front Street, which serves two private garages. The construction dates of the garages are unknown because no building permit exists for either structure. This vacation is intended to adjust the property lines so the garages are located on private property. The two requesting properties are located on the south side of an improved public alley. No utilities are located in the unimproved alley.

The Board of Adjustment approved a variance on October 15, to allow a 1 foot rear yard setback for the garages so they may remain in place if the alley is vacated. The Public Works Department recommended the unimproved alley be vacated.

Staff recommendation: Staff recommended City Council approval of Ordinance 1681, Series 2015.

APPLICANT PRESENTATION

Lawrence Verbeck, 936 Parkview Street, Louisville, CO voiced his appreciation to Planning and Building Safety Director Russ for his presentation. He requested the alley be vacated and noted with respect to the garage, he has only owned the property for a few years, but the garage was built many decades ago.

COUNCIL COMMENTS

Council member Stolzmann commented she liked the wording of the alley vacation. She noted there have been cases where property owners do not agree on the property lines and there is discussion around old lot lines and historic lot lines. She stressed it's important to be careful with new surveys.

Mayor Muckle requested public comments and hearing none, closed the public hearing.

MOTION: Council member Keany moved to approve Ordinance No.1681, Series 2015 on second and final reading, seconded by Mayor Pro Tem Dalton. Roll call vote was taken. The motion carried by a vote of 7-0.

DISCUSSION/DIRECTION/ACTION - SOUTH BOULDER ROAD COMMUNITY SURVEY RESULTS AND QUESTIONS FOR MCCASLIN BLVD SURVEY

Mayor Muckle requested a staff presentation.

Planner II Robinson explained the City is conducting two small area plans; South Boulder Road and McCaslin Boulevard. Staff worked with consultants to develop questions for the South Boulder Road survey. Staff is preparing the McCaslin Blvd survey draft questions and will use the South Boulder Road survey results, with minor modifications to the questions for the McCaslin Blvd survey.

Two weeks ago 100 people attended a public meeting on the South Boulder Road Small Area Plan. They worked on a series of maps for different sites within the corridor and were asked what they desired in terms of redevelopment. That information along with the survey information will be used to create other alternatives. Staff asked Council to review and approve the draft questions, so the surveys may be mailed later in March. A report on the responses will be delivered to the City in late May.

The proposed McCaslin Blvd survey questions are largely the same as the South Boulder Road questions, but will require some changes to reflect the different environment in the McCaslin Blvd corridor:

Staff recommendation: Staff asked for Council direction on any desired changes to the proposed survey questions.

COUNCIL COMMENT

Council member Lipton requested a conceptual outline of the survey questions, which illustrated the differences between South Boulder Road and McCaslin Boulevard.

Mayor Muckle felt the McCaslin questions will require modification because the South Boulder Road Small Area Plan had more discussion relative to housing heights and

setbacks. There is also more residential planned in the Comprehensive Plan for the South Boulder Road Area so knowing the housing types was important. In the McCaslin/Centennial Valley Small Area Plan it is unclear whether there should be housing and if so the densities. There should also be questions relative to transit stops.

Council member Lipton noted on South Boulder Road there is a lot of greenfield development, where on McCaslin there is more redevelopment. He felt it was important to get a sense about the Sam's Club area and have some focused questions on land uses along McCaslin Boulevard. He felt on South Boulder Road the goal was to get input on architectural style. He suggested some questions directly relating to the redevelopment of certain areas stressed along McCaslin.

Planner II Robinson explained there are questions related to land uses, but they can be formulated to ask specifics about housing. He reviewed the changes to the South Boulder Road survey questions to reflect the different environment in the McCaslin Boulevard corridor as follows:

- Changes in the uses described in questions 3 and 4.
- Addition of "Entertainment (theater)" in question 6.
- Combining medical offices and professional services into one item in questions 6
- Addition of "Warehouse/Industrial flex space" in question 6
- Addition of "Open space" in question 6
- New photos for 1A, 1B, 1C, 1D, 2A, 2B, 2C, 3D, 4C, 4D, 5C, 6A, 7B, 8A, 8B & 9A to address McCaslin Boulevard contains larger parcel sizes and larger buildings

Council member Leh addressed the consideration of the Recreation Center in the study area. He voiced his support for the Recreation Center inclusion in the McCaslin Small Area Plan and felt they are geographically connected. Planning and Building Safety Director Russ stated there would be a risk of not producing a successful small area plan for McCaslin with the inclusion of the Recreation Center. He felt there should be a comprehensive public discussion on the Recreation Center. He noted planning staff does not have the resources to address an aquatics center or play fields. He agreed they are interrelated geographically, but are two distinct plans of study.

Mayor Muckle agreed more information relative to pool and recreation centers is needed.

PUBLIC COMMENT

Michael Menaker, 1827 W. Choke Cherry Drive, Louisville, CO stated he was interested if the City Council would support specific direction on two questions: 1) Rezoning all of the Sam's Club property for mixed use. 2) Support for residential development in Centennial Valley, modeled on the Steel Ranch development and would support increase if there was age restriction for 55+.

COUNCIL COMMENTS

Council member Stolzmann suggested waiting on the McCaslin Small Area Plan survey to see what happens with the South Boulder Road planning efforts. She stated her understanding that Council will see some options in March. She looked forward to seeing the information from the South Boulder Road survey.

Planning and Building Safety Director Russ cautioned against delaying the McCaslin Small Area Plan survey. He stated there is value in having consultants come and coordinate both projects. With the current budget for the projects, delaying the McCaslin Small Area Plan would also delay the South Boulder Road Small Area Plan. During the South Boulder Road Area Plan survey development, staff was very cautious on providing preference for implementation tools. Sam's Club could be addressed, but it becomes a conversation on its own regarding implementation. Staff will craft survey questions for Sam's Club, to address Council's concerns.

Council member Lipton asked if there would be questions relative to signage. Planner II Robinson stated there is one question relative to signage. Planning and Building Safety Director Russ stated there are multiple ways to reach out to the community in addition to the survey, including public workshops, and business round table discussions. With respect to McCaslin Boulevard, the PUD's have always been more restrictive than the underlining zoning. The City is working with absentee landowners who are not working with the tenant to make necessary improvements. He explained the survey is merely one tool of a very broad brush of outreach. He cautioned Council not to be too specific on the questions.

Council member Keany inquired whether the survey information on South Boulder Road would be discussed at a study session. Planner II Robinson explained the alternatives will be developed for South Boulder Road and brought before Council. At that time the survey results would also be discussed.

Council member Keany noted there was an adverse response for monument signs on South Boulder Road Corridor, yet all the businesses along McCaslin want monument signs. He asked if there is a question in the survey about changing land use from commercial to a residential mix in parts of Centennial Valley. Planner II Robinson stated when the survey was prepared it focused more on design than use. There is a large land use question asking respondents what they would like to see whether it be single, multi-family or senior housing.

Council member Keany noted in the Comp Plan process there was a resident who opposed more residential. He was interested in knowing whether this is a citywide issue or a local issue. Planner II Robinson stated staff would design some specific questions for Council's review.

There was Council consensus on the direction to the City staff on the survey questions.

BOULDER COUNTY ANNEXATION AND ZONING FOR 245 NORTH 96TH STREET

- 1. ORDINANCE No. 1679, SERIES 2015 – AN ORDINANCE ZONING A PLANNED COMMUNITY ZONE DISTRICT – COMMERCIAL / RESIDENTIAL (PCZD – C/R) CERTAIN PROPERTY ANNEXED INTO THE CITY OF LOUISVILLE AND KNOWN AS THE 245 NORTH 96TH STREET ANNEXATION – 2nd Reading –Public Hearing**
- 2. ORDINANCE No. 1680, SERIES 2015 – AN ORDINANCE APPROVING AN ANNEXATION, KNOWN AS THE 245 NORTH 96TH STREET ANNEXATION TO THE CITY OF LOUISVILLE, COLORADO – 2nd Reading –Public Hearing**
- 3. RESOLUTION No. 13, SERIES 2015 – A RESOLUTION APPROVING AN ANNEXATION AGREEMENT FOR THE 245 NORTH 96TH STREET ANNEXATION**

Mayor Muckle stated the Council will take public comment on any of the three agenda items. He requested a City Attorney introduction.

City Attorney Light introduced Ordinances No. 1679 and No. 1680, Series 2015; the second reading of the ordinances and public hearing on all items related to 245 North 96th Street. The public may comment on any of the items.

Mayor Muckle opened the public hearing and requested a staff presentation.

Planning and Building Safety Director Russ explained two additional documents were handed out to the City Council to be included in the record: 1) A table from the Colorado Housing and Finance Authority Income and Rent Tables, which was requested by Mayor Pro Tem Dalton and 2) Three slide changes have been made to the PowerPoint Presentation. Resolution No. 13, Series 2015 is the resolution approving an annexation agreement for 245 North 96th Street. He addressed the Annexation Agreement as follows:

Age-Restricted Housing: – Not less than 70 age-restricted residential units (55 years of age or older), subject to the fair housing requirements.

Affordable Units: No less than 25% of the total amount of all residential units developed on the property shall be affordable units (58). Local Preference*: All age restricted and affordable units follow these local preferences:

- Current Louisville residents
- Louisville: Municipal, School District and Fire District Employees
- Employees of Louisville businesses
- Families: 62 years+, or disabled, seeking to be in proximity of family in Louisville

*This stipulation is subject to fair housing requirements.

He addressed the red-line Annexation Agreement for 245 N. 96th Street Development, which includes age-restricted housing, 25% affordable units (58 units) and a local preference requirement, which is renewable after 40 years.

He reviewed the Public Notice Certification and the subject property. The size of the property is 13.404 acres. The requested zoning is PCZD-C/R Zoning for 231 dwelling units and 18,404 SF Commercial. General Development Plan (GDP): Transportation Highway 42 – Street Network.

Public Land Dedication: The total dedicated public land requirement is 1.93 acres.

General Development Plan Land Use – Planning Areas:

Planning Area A:

Zoning: PCZD C/R
Maximum F.A.R. 1.0
Maximum allowance of 83,202 SF
Residential: (included in FAR) 28 units
Residential Density: 15 units per acre

Planning Area B:

Zoning: PCZD R
Residential (included in FAR) 103 units
Residential Density: 30 units per acre

Planning Area C:

Zoning: PCZD R
Residential (included in FAR) 69 units
Residential Density: 25 units per acre

Planning Area D:

Zoning: PCZD R
Residential: (Included in FAR) 31 units
Residential Density: 15 acres per acre

Eligibility for Annexation: Sections 16.32.020 and 16.32.030 of the Louisville Municipal Code have been met.

Comprehensive Plan: The Comprehensive Plan is a policy document. Staff found the proposed annexation and initial zoning request complies with the Comprehensive Plan's Vision Statement and Core Community Values. The Framework Plan: Land Uses comply with the Comprehensive Plan.

Proposed Yard and Bulk: Highway 42 and South Boulder Road Urban Center:

Parking: On-site private parking associated with a particular use and allowance for shared parking agreements.

Building Heights: 2-3 Stories

Building Form and Design:

1. Ground floor oriented towards the street.
2. Ground floor activated with retail and commercial uses and pedestrian scaled development
3. Provide buildings, which transition in scale to adjacent neighborhoods.

Block Length: 300-400 feet.

Highway 42 and South Boulder Road Urban Corridor:

Parking: Majority on-site private parking associated with a particular use with allowance for shared parking agreements.

Building Heights: 2-3 Stories.

Building Form and Design:

1. Ground floor is oriented towards the Arterial Road and / or a secondary street.
2. Provide buildings, which transition in scale and mass to adjacent neighborhoods on the back of the property.

Block Length: 300-400 feet.

Comprehensive Plan - Framework Plan: Neighborhood Housing Principles and Policies: Principles NH -5 through NH –6.2 have been met.

Intergovernmental Agreement: The City of Louisville and Boulder County Housing Authority agreed to the following:

1. The County would own and manage the City's 116 affordable housing units along with the County's existing 30 units in Louisville.
2. The County agreed to build an additional 15 units in Louisville within the next five years.

The Louisville Fire Protection District Referral Response:

1. The Fire District has stated they could serve the property.
2. Specific service requirement will be reviewed during the Preliminary and Final Planned Unit development (PUD).

Boulder Valley School District Referral Response:

1. Expected Student Impact: Louisville Elementary School – 20 students; Louisville Middle School – 7 students and Monarch High School – 11 students. Elementary capacity in Louisville as a whole however is ample to accommodate continued enrollment growth.

Current Actions:

1. Enrollment growth continues to be managed by restricting open enrollment. The 50 open enrolled seats will eventually be available to new resident students.
2. The preschool program has been relocated to Fireside Elementary.
3. Current computer lab space has been converted for classroom use.

Future Possibilities (should the projections materialize):

1. Additional changes in offered programming
2. The addition of portable classrooms
3. The addition of permanent class

4. Busing of students
5. Changes to attendance boundaries

The Planning Commission reviewed this proposal and discussed the fiscal impact, the need for affordable housing, the affordable housing goals, school enrollment and street network enhancements. The Planning Commission voted unanimously to recommend City Council approval.

Staff recommendation: Staff recommended the City Council approve Ordinances No. 1679, No. 1680, Series 2015 and Resolution No. 13, Series 2015.

COUNCIL COMMENTS

Council member Stolzmann requested an email from Alex Bradley regarding the Louisville Schools Enrollment Watch be included in the record. The email was printed and distributed to the City Council.

Planning and Building Safety Director Russ noted in the Annexation Agreement the City staff recommend the water resource fee of \$1,800 an acre not be included in the annexation agreement. Based on the raw water taps calculation, the fee is included in the tap fee. Public Works has directed the Planning staff not to include this requirement in the annexation agreement.

APPLICANT PRESENTATION

Frank Alexander, Boulder County Housing Authority, voiced his appreciation for Council's guidance at the last meeting and the efforts of the City staff. He hoped the annexation agreement draft would answer a lot of Council's questions. He would present a brief overview of the Boulder County Housing Authority and their activities around the County in relationship to this proposal and then address the specifics of this site. Within Boulder County there are seven communities where affordable housing is available. The Boulder County Housing Authority owns 611 affordable housing units primarily in the mountain areas and in east Boulder County. Of the 611, 147 units are in Louisville and 257 in Lafayette. The County is currently working on the 245 North 96th Street development and some flood recovery housing in Lyons.

Mr. Alexander presented a breakdown of the current demographics of the affordable units in Louisville: 147 units, of which 104 are residents before 30% of the median income (\$24,000) for a two person household. Most of the remaining units are below 50% of median income (\$45,000) for a two person household. There are also 66 Section 8 housing subsidies in Louisville, with 59 being below 30% of the median income and the remainder below 50%. A market study was performed for the senior project to assess the current need for age-restrictive low income housing. Over the last 15 years the need for senior has tripled. There are 689 households below 50% of the median income level and over the next 15 years that number will increase to 1,100 households.

The Boulder County Housing Authority Department is also an enterprise unit within the Boulder County government. The Department services many thousands of residents throughout Boulder County. Approximately 65,000 individuals were served last year and in the City of Louisville approximately 1,800 people are accessing support for health insurance; 650 for food support and 52 households for child care assistance programs. Additionally 80 households in the Superior/Louisville area are working within the County's housing stabilization program. These are families at risk for foreclosure and eviction. All of these programs bring a financial benefit to the County communities. There is an increasing need for affordable housing. Additional programs include: HUD counseling, reverse mortgages for seniors counseling, low-income energy assistance, rent and weatherization assistance and services and implementation of sustainability measures.

He presented a diagram of the current inflow of Boulder County employees who come to Louisville to work: 5,000 from Southeast County; 1,000 from the City of Boulder; 2,300 from northern Boulder County. Most of those incomes are being spent in their home communities creating a need for senior housing, low-income housing and transportation that can be supported by affordable housing construction.

Norrie Boyd, Boulder County Planning Director, agreed there are fringe benefits which come with affordable housing, should this project get developed. The County is advocating for the Louisville affordable housing development, which includes the 70 unit senior building; the 120 multi-family units, 1 community building, the pocket parks and the northwestern quadrant for the Louisville Artist Co-Housing Community. She noted the area designated for the Art Underground will no longer be a part of the project. It will be reconfigured for a commercial and retail model and the County will work with the City's Economic Development Director to find an appropriate use. She reviewed the funding application, the funding sources and fund uses. She stressed the importance of the low-income tax credits for this project (\$27 Million) and the state's disaster relief funds (\$8 Million) and noted they are only available this year. The tax credit requires a local match. The \$8 Million disaster relief funding is for two projects: 1) the senior housing building and 2) the multi-family units. All of the affordable housing is available to people 60% below the median income (\$40,000 per household). She noted the County Attorney, Ben Doyle was available to address Council's questions relative to the annexation agreement, including the local preference policy. The County's architect for the project was also available to respond to Council's questions.

PUBLIC COMMENT

Emilie Parker, 541 Jefferson Avenue, Louisville, CO, Louisville Artist Co-Housing explained Louisville artists are excited about the idea of starting a housing community for artists. 270 artist supporters are working to promote this project and five of the artists in attendance tonight plan to move into the community. Local artists have

purchased 1.23 acres within the Alkonis property to build an artist community. They expect to build 20 homes with art studios facing common spaces. Artists will share artworks, space and collaborate to actively support the arts in Louisville. Their members include musicians, performers, painters, ceramic artists, writers, woodworkers and sculptors. Some members are seniors, some are retired, some have children and some are moving from out of state. Building an artist community will be good for the City by expanding sales tax revenue through their participation in local events. She encouraged the City Council to approve the annexation and zoning of this property.

Alex Bradley, 1385 Caledonia Circle, Louisville, CO stated the Boulder County Housing Authority published a flyer containing a breakdown, which was different from the information in the City Council packet. She requested clarification on the affordable housing units versus the market value units and asked which area would hold the market value units. She voiced concern over the minimum number of affordable housing units (25%) for the development and requested it be greatly increased. She was concerned Planning Areas C & D provide the maximum density allowed and requested the City curb the density so as not to put a strain on the infrastructure including the schools. She was concerned with the increase in traffic through Christopher Village and South Boulder Road. Her major concern was over the impact to the school enrollment. She stated the City was using outdated data from the Boulder Valley School District and felt it would be prudent to ask for a new five-year projection.

COUNCIL COMMENTS

Mayor Muckle stated the major issues in the annexation agreement are local preference, the percentage of affordable and senior housing and the local financial assistance agreement. He asked if there are any other issues in the annexation agreement.

Planning and Building Safety Director Russ explained those are the major issues. He clarified staff position on the 25% for affordable housing and explained the land is owned by a variety of landowners and making the sale possible requires financial assistance for affordable housing. If the requirement is for 100% of the units to be affordable housing, it is also a requirement for future land owners. It becomes a question of land viability with the County's added requirement of financial assistance, should the City annex the property, if they cannot meet the requirements of the annexation agreement. The point of not specifying 100% affordable housing is it creates a market if the project does not go forward.

Mayor Muckle asked Mr. Alexander whether the County would consider 100% for affordable housing. Mr. Alexander explained if the project was 100% affordable housing and the construction costs were too high, neither the County nor any other developer would have the resources to develop the project. They would have to turn over portions of the project to the market.

Mayor Pro Tem Dalton inquired about the Louisville Artists Co-Housing development.

Ms. Boyd pointed out the proposed Artists project will not be developed by the County however the sale of the property will help to finance the affordable housing and senior housing. The County is the owner and developer of the family housing, the park, senior housing and the community building. The County is building the infrastructure on Hecla and Kaylix, if they are able to sell the other parcels.

City Attorney Light explained the drawing is not before the Council for action this evening. The agenda item is for the annexation and the zoning. If the property is annexed to the City it would be platted before properties are sold.

Mayor Pro Tem Dalton explained there are rumors being circulated that Boulder County is subsidizing an artist community. Ms. Boyd clarified Boulder County is not subsidizing an artist community, they are developing affordable housing on the other parcels.

Council member Lipton asked if the County would be the developer for the artist community. Ms. Boyd stated they would not be the developer for the artist community. They are the developer for Hecla, Kaylix and the infrastructure.

Council member Lipton asked how the County will ensure they are getting the highest value for the land. Ms. Boyd stated the saleable parcels will help subsidize the affordable housing project. She explained the County goes through an official procurement process to ensure the highest value for the land.

Council member Loo stated her understanding in the first three years there would be a preference for flood displaced victims. Ms. Boyd confirmed there are flood displaced people who are interested in affordable housing and because the need is so great their names will be on the top of the list. She stressed affordable housing is a need seen throughout the County.

Council member Loo asked when a local preference will come into play. Mr. Alexander explained right now there is not a wait list for properties in Louisville; it is merely an interest list. The vast majority of the flood displacement victims want to return to their home communities. The County wants to provide a flood preference for any project using federal funds. It is the County's public duty to provide housing to those flood displaced victims first.

Council member Loo stated she could not in good conscious provide financial assistance to a project if not a benefit for Louisville residents. She felt it could be some time before there is any fiscal benefit to the City. Mr. Alexander explained it is a \$65 Million project; the cost of the land was \$2.5 Million and the County's request of the City was \$2.3 Million in fee waivers.

Council member Loo requested an updated fiscal model without the non-profit component and referenced the fiscal model analysis. Ms. Boyd stated the revised draft

fiscal model takes out the non-profit and adds 46,000 SF retail ground floor/ commercial on the top floor, which flips the model by 85% less negative. Without Art Underground the County will have to aggressively market the site and requesting assistance from the City's Economic Development Department.

Mr. Alexander explained when the senior affordable housing project was built in Lafayette more than 85% of the residents were Lafayette residents. The County works with the local Senior Services Departments on marketing and outreach to the community. He noted it only took 5 days to lease the space at Josephine Commons. He felt the Louisville project would be highly populated with Louisville residents.

Council member Loo addressed the Kaylix connection and noted the City does not own the property to extend the street. City Attorney Light stated the long-term vision for Kaylix entails the right-of-way to the north, which is not part of the discussion this evening. This project proposal provides the right-of-way to take Hecla over Highway 42, which is in Section 9 of the annexation agreement. This section also provides for the developer at its own expense, to extend Kaylix to the north and south boundary.

Council member Keany asked if there was language in the annexation agreement which states, should Boulder County Housing Authority not pursue an affordable housing project; any fee waivers would be null and void. City Attorney Light explained there is not, however Section 12 states the parties will in good faith attempt to reach an agreement on the financial assistance within 90 days of execution of the agreement. The County added language stating if agreement is not reached on the financial assistance package within 90 days of execution, the age-restricted and affordable housing would be void and the County could take the property to market. If agreement is reached on a financial package, it will stipulate the affordable housing properties. Staff is looking for direction on the annexation agreement and the financial assistance agreement. He voiced his concern for the status of zoning if the age-restrictive and affordable housing goes away. If there is no agreement on the financial assistance there is no commitment on affordable housing and the property can be marketed under its existing general development plan. He felt more language was needed to address this issue. The other legal option is if there is not agreement within 90 days, the language would be silent and the County can ask for an amendment to the annexation agreement. Another option would be to firm up the density issue.

Mr. Alexander stated the Boulder County Housing Authority is a long-term partner with the City of Louisville and the intent of the 90 day clause was Boulder County's confidence an agreement will be reached. The County will come before the Council in many stages to proceed with the development. Should they not be able to secure adequate financing to commit to affordable housing and as the County has invested significant funds on this project, the County would have to investigate other options. He suggested the language in the annexation agreement allow continued discussions between the City and the County. He stated they are looking for support to move the projects applications forward and to get the affordable component the project needs.

Council member Keany voiced concern over the 231 units and noted if the County sold those units at market rates, he would not support 231 units. He asked how would the City be protected and stated he would feel comfortable with a clause which stipulated if the affordable housing was not pursued the agreement would be null and void. Mr. Alexander asked if the 90 day clause was removed would that satisfy the Councilor.

City Attorney Light stated if the last sentence were removed there would still be uncertainty of completing the financial assistance package within 90 days. Council could look at the General Development Plan and consider additional provisions conditioning the zoning. He noted another way to approach the question would be to conditioning approval on the zoning of this project.

Council member Keany asked if the applicant was comfortable removing the 90 day clause. Mr. Alexander responded yes.

Council member Keany voiced concern over the elimination of commercial along Highway 42. He felt the commercial component creates a buffer. He voiced concern over Planning Area C with regards to the density and the buffering. Planning and Building Safety Director Russ stated there are some design realities in Area C as it is the low point of the development. He explained there are design alternatives for the commercial opportunities to be closer to Hecla Drive.

Council member Keany stressed the importance of buffering with landscaping or other means. He inquired about the water fee and whether there were any water rights in connection with the annexation. Planning and Building Safety Director Russ stated the water rights were limited and acquired by the City along with the Steel Ranch water rights. There is an irrigation lateral which traverses the property with minor rights that helps serves the Harney/Lastoka property. The water resource resolution (Resolution No. 6, Series 2007) required \$1,800 per acre fee. The new calculation for tap fees collects the raw water fee of \$1,800 per acre and therefore it is not included in the annexation agreement.

Council member Keany inquired whether the water resources fee could be used for an in-kind contribution. Planning and Public Safety Director Russ stated it could be used if required by Council.

Council member Keany asked if Boulder County would consider increasing the affordable housing units from 25% to 50% in the annexation agreement. Mr. Alexander responded yes.

Council member Stolzmann also wanted to see affordable housing on this property. She explained when considering the annexation Council must refer to the comprehensive plan and within the plan there is a desire for more senior and affordable housing. She noted this development does not meet the goals for the schools, financial performance

or the street network. She was concerned over the annexation agreement and the suggestion of any in-kind contributions. She felt it would be very difficult to find an agreement to serve everyone's goals. The City's Capital Projects funds will go to zero this year and will require general fund transfers. The City wants to support this project with financial assistance, but it would be difficult to find the money and the timing is off. She felt the only thing that meets the goals of the comp plan is the senior and affordable housing component. She would like to see a higher percentage for senior and affordable housing. She was in favor of continuing this matter until the next meeting to provide staff time to work on the financial component in the annexation agreement.

Mayor Pro Tem Dalton addressed the issue of affordable housing and the land use over the last decades. Louisville, Boulder and other places no longer have affordable housing. Most of the applicants for affordable housing are in the service sector and make minimum wage. His objective was to provide affordable housing for less than 60% of the median income level. Ms. Boyd explained the way the project is being funded they are targeting the 30% to 40% median income range and 60% is the cap. They are targeting the lowest income. In the Lafayette project the majority of the people are earning \$19,000 a year. It does not mean 60% sets the bar it simply creates a mix from 30%, 40%, 50% and 60%.

Mayor Pro Tem Dalton inquired about the balance of 103 units. Ms. Boyd explained the affordable rentals are at 30%, 40%, 50% and 60% of the median income level, but the for sale homes are not included. Planning and Building Safety Director Russ stated his understanding there were 207 units, but the zoning recognizes 231 units.

Mayor Pro Tem Dalton asked if the 24 units were for the artist community. It was confirmed those units were for the artist community. Mr. Alexander explained the distributed cost for the development per unit is what drives the cost of the rentals. Their mission is to drive the rent levels as low as possible to meet the need of affordable housing, but the parcel will be very expensive to develop and so that is the tradeoff.

PUBLIC COMMENT

Michael Menaker, 1827 W. Choke Cherry Drive, Louisville, CO agreed with Council member Stolzmann; the City does not have the money to support the annexation agreement and with Council member Lipton; the City would be subsidizing the infrastructure and a non-profit organization. He was not sure the financial models would change. He agreed everyone is interested in providing affordable housing, but felt a lot more work has to be done on the agreement.

Cindy Bedel, 662 W. Willow, Louisville, CO did not think the City should subsidize residential growth or infrastructure, but agreed there is a need for affordable housing. She felt limiting the density will reduce the impacts to the schools and traffic. She felt the annexation agreement needs more work and urged Council not to approve it this evening.

Chip Bruce, 2727 Limestone Court, Superior, CO spoke on behalf of the Louisville Artist Co-Housing group and explained they have been working for one year to fund and finance this private development, which would include 36 residences at a cost of \$12 Million. He dispelled the belief the Artist group is asking for County or City subsidies.

Alex Bradley, 1385 Caledonia, Louisville, CO addressed the 36 residential units for the Artists Co-Housing Group and stated her understanding it was 24 units. She asked for clarification on why the maximum number of senior housing is only 70.

Douglas Parker, 541 Jefferson Avenue, Louisville, CO stated the actual number of units in the Artist Co-Housing is 24, but there are some artists interested in the affordable rentals, which will bring the total to 36. He understood the fiscal concern, but felt the Council should consider the value in an artist community. He stated artists help revitalize the community and urged Council to approve the annexation agreement.

Mayor Muckle inquired why there are not more than 70 senior units. Ms. Boyd explained in their financing plan there are 70 multi-family units designed to fit the senior lifestyle. They have grab bars, are fully ADA compliant, on ground floor and have zero step entries. The County can finance and manage a single building designated age-restrictive (55 and older), which will not violate fair housing. They have worked hard on the senior housing units, which is a single building and is age-restrictive 55 and older. The non-age restrictive units have been designed to appeal to active as well as aging seniors.

Mayor Muckle agreed there is a value in having this housing project in Louisville. He stated his understanding there is some urgency for the funding, but felt if the agreement can build in protection for the City he would be willing to support the agreement.

Council member Leh asked for clarification on the urgency for the annexation. Ms. Boyd was confident the County and the City will come to an agreement on the annexation agreement within 90 days. The urgency for the annexation is for the federal application for emergency relief funding, which must be completed by May 1st. The federal funding is issued through the state and must be spent by the end of next year. Mr. Alexander explained there is only one round of funding for this year and the County's application was filed on March 1. If the money is approved and the project is not is not approved/ready, the funds must be moved to another project.

Council member Stolzmann stated if the funding piece fell through this would become a high density development. She felt the attorneys must ensure the City will get the product they are being sold.

MOTION: Council member Stolzmann moved to continue Ordinance No. 1679, Ordinance 1680, Series 2015 and Resolution No. 13, Series 2015 to the March 17,

2015 City Council meeting, to allow the attorneys to make significant progress on the annexation agreement, seconded by Council member Loo.

Discussion: Council member Keany requested clarification the continuance would still provide the County sufficient time for the May 1st deadline. Mr. Alexander confirmed it would.

Mayor Pro Tem Dalton asked City Manager Fleming if in the financial agreement the immediate need is for the contribution (which Council could not provide), but if it would be at a later time, it could be calculated through the City's long-range budget plan. City Manager Fleming explained the largest component of the fiscal impact will occur later. Based on his understanding, it will be possible to fit it in the existing capital budget, without compromising any of the capital projects currently scheduled in the 5-year CIP. Staff will still need time to complete the calculations.

Council member Lipton addressed the market based parcels and stated he was not sure they are getting the highest values. He would like to see evidence that they are and evidence that public funds are not being used to subsidize the artist community. He noted the City is struggling with their current financial situation and there are some capital projects that will be delayed a year or two. He agreed with continuing these matters to March 17 City Council meeting. He felt there was more work to be done on the annexation agreement.

Council member Loo requested the County's PowerPoint Presentation be made a part of the record. City Attorney Light requested it be included in the packet materials for the March 17, 2015 City Council meeting.

VOTE: All were in favor of the motion to continue all three agenda items on the 245 N 96th Street Project to March 17, 2015.

ADOPTION OF THE WATER EFFICIENCY PLAN UPDATE

Mayor Muckle explained the City has a Water Efficiency Plan approved the State. The Plan is required to apply for funding from the Colorado Water Conservation Board.

Mayor Muckle requested a staff presentation.

Public Works Director Kowar explained this is an update of the existing Water Efficiency Plan to be eligible for State financial assistance for water, wastewater and stormwater system improvements. State law requires Colorado cities to have current water efficiency plans. The City has applied for a low interest loan to help finance improvements to the City's wastewater treatment plant and stormwater system. Staff applied for a grant with the Colorado Water Conservation Board (CWCB) to update the City's Water Efficiency Plan. The Plan includes a number of items, which can contribute to water conservation, but none are required. They are included to provide a guide and direction to encourage water conservation and to adopt policies and regulations and

enforcement. He noted there are budgets among some of the plan recommendations however those numbers are just recommendations to show the City Council and the public the financial impacts of tasks to be implemented. He explained the Plan refers to a Water Conservation Coordinator. This is not a position Public Works plans to add, however it is a requirement to designate someone as a Water Conservation Coordinator. This plan was developed in 2014 and during the course of the year many things changed, but the plan was not on a parallel track to get approved. There may be some portions of the plan the City Council would like to change. The Water Committee will review the plan at their April meeting and make recommendations to the City Council.

Staff recommendation: Staff recommended the City Council adopt the Water Efficiency Plan, even though there will be future changes. This will enable state funding for the City's wastewater treatment plant and water projects.

COUNCIL COMMENT

Council member Lipton stated his understanding this plan is tied to the financing of the wastewater treatment plant. He wanted assurances the City is not bound by the plan and has the discretion to make changes, even though the City will be bonding for funds.

City Attorney Light explained the obligation on the City for financing will be primarily contained within the funding agreement. The City must look at the covenants to see if there are any future obligations or performance measures.

Council member Lipton inquired when the City would know about the financing. City Attorney Light explained the funding authority has requested a closing in early May. The Council will be asked to act on a bond ordinance and the fund agreement on the second meeting of March and the first meeting of April.

Council member Lipton inquired about the exit plan and the strategy. Public Works Director Kowar stated in order to get the water plan approved there must be a water conservation plan. The City is meeting the major requirements to get the plan approved. There is not enforcement from the Colorado Water Conservation Board (CWCB.)

City Manager Fleming addressed the water budget approach and stressed the staff heard very clearly the City Council is not interested in implementing water budgets. He explained the plan calls for informational water budgets, but it is not a rate structure.

Council member Lipton stated his understanding the direction given to staff was not to devote any more resources to water budgets whether it be informational or not. He noted the plan calls for eliminating voluntary watering hours in lieu of mandating watering hours. He felt those two items should be eliminated from the draft. Public

Works Director Kowar stated the staff understands the Council's desire to not pursue water budgets. New technology provides a feature for the City to communicate with the residents about their water consumption. The water budgets can be struck from the plan, but noted the no watering times (10:00 am – 6:00 pm) is the standard for Front Range communities. Staff will take out the watering times out if Council so desires.

Council member Lipton felt there should be more public conversation on the watering time.

Mayor Muckle preferred the Water Committee also review the Water Efficiency Plan.

Public Works Director Kowar noted the bond ordinance does not have anything to do with the Water Efficiency Plan. The Plan is mentioned in the City's credit report.

MOTION: Council member Leh moved to approve the Water Efficiency Plan, seconded by Mayor Muckle. All were in favor.

DELO PHASE II

- 1. ORDINANCE No. 1682, SERIES 2015 – AN ORDINANCE APPROVING THE DELO PHASE II FINAL PLAT, SRU, PUD AND ROW VACATION – 1st Reading – Set Public Hearing 3/17/2015**

- 2. RESOLUTION No. 14, SERIES 2015 – A RESOLUTION APPROVING A FINAL SUBDIVISION PLAT, A FINAL PLANNED UNIT DEVELOPMENT (PUD) AND FINAL SPECIAL REVIEW USE (SRU) TO DEVELOP PHASE 2 OF THE DELO DEVELOPMENT WITHIN THE CORE PROJECT AREA OF THE HIGHWAY 42 REVITALIZATION AREA. THE PROJECT INCLUDES A DIVERSITY OF HOUSING PRODUCTS WITH GROUND FLOOR RESIDENTIAL, CIVIC SPACES, URBAN PLAZAS, STREETSCAPES AND COMMERCIAL/OFFICE OPPORTUNITIES – Set Public Hearing 03/17/2015**

Mayor Muckle requested a City Attorney introduction.

City Attorney Light introduced Ordinance No. 1682, Series 2015. Staff recommendation is to set a public hearing for March 17, 2015

MOTION: Mayor Muckle moved to approve Ordinance No. 1682, Series 2015 on first reading, ordered it published and set a public hearing on March 17, 2015, seconded by Council member Keany. All were in favor.

City Attorney Light introduced Resolution No. 14, Series 2015, which will be brought back before Council to coordinate with Ordinance No. 1682, Series 2015.

MOTION: Mayor Muckle moved to continue Resolution No. 14, Series 2015 to March 17, 2015, seconded by Council member Keany. All were in favor.

Council member Stolzmann requested at the next meeting staff present additional information on the Comcast property, which would explain the timing of the agreement. She also requested Economic Development Director DeJong include the newest calculations through the bonding process.

Mayor Muckle requested an updated fiscal model on what is currently being proposed. Planning and Building Safety Director Russ explained the applicant has the newest fiscal model. He would work with the applicant to get the model, however he did not believe the information would be available by the packet deadline, but would present the information at the March 17th meeting.

Mayor Muckle requested the City's Finance Director provide a range of information relative to the new fiscal model

CITY ATTORNEY'S REPORT

City Attorney Light reported Consent Agenda 5H – Approval of PSCO and City of Louisville Shared Use Agreement for Gas Pipeline replacement Project, which involves property in front of the Takoda Subdivision. This matter was resolved through a shared use agreement, which allows the City to withdraw from the court proceedings to secure this property. He will continue to work with PSCO on the properties on the south side of the City and will present an agreement to Council on March 17th.

COUNCIL COMMENTS, COMMITTEE REPORTS, AND IDENTIFICATION OF FUTURE AGENDA ITEMS

Council member Stolzmann reported on the DRCOG Board workshop where they reminded everyone DRCOG, by State Statute, is the regional planning commission and federal legislation created the Metropolitan Planning Organization in the 1960's and DRCOG serves that role for Denver. In the 1970's DRCOG became the area agency on aging. They reminded everyone of the collaborated planning functions including Metro Vision 2040. They discussed items such as resiliency, legacy areas such as water and free standing areas and the interest in water and she found it very interesting. They also discussed Roberts Rules of Order and the importance of having meeting rules.

Mayor Muckle reported on the RTD proposed US 36 BRT Service Plan and the Fare Study. The Fare Study includes local bus fares and regional bus fares. The operational plan addresses the number of buses running to and from various places along US 36. The plan has caused concern over whether services would be reduced. He reported the next meeting is March 13th at the Louisville Library.

Deputy City Manager Balser reported there will also be a public meeting at the Louisville Recreation Center on April 1, 2015, to discuss the US 36 BRT Service Plan for 2016 and for the Fare Study. She explained RTD is going through these public involvement meetings to get specific feedback. Staff will continue to monitor the Plan and Study to provide Louisville's feedback to RTD.

Mayor Muckle explained they are looking at one or two approaches to fares. One is a flat fare, which would not be beneficial to the City.

Mayor Muckle supported Council member Stolzmann's suggestion to rotate board liaison assignments every six months. This would provide all Council members' experiences with the different City's boards and board members getting to know more members of the City Council. He requested this be put on the advance agenda.

Council member Loo addressed an email received relative to SB-183 and contacting Senator Matt Jones relative to water rights issues. She inquired whether Council should write a letter to Senator Jones. Deputy City Manager Balser felt it was best to have a conversation directly with Senator Jones.

ADJOURN

MOTION: Council member Leh moved for adjournment, seconded by Mayor Pro Tem Dalton. All were in favor. The meeting adjourned at 10:30 p.m.

Robert P. Muckle, Mayor

Nancy Varra, City Clerk